

FAA (Southwest Region) Capital Planning Conference



**October 19, 2004
Fort Worth, Texas**



Airports Capital Improvement Plan (ACIP) Timetable

✈ Objectives

- To define the ACIP and discuss its role in the implementation of the Airport Improvement Program (AIP)
- To communicate FAA's timetable for developing the ACIP
- To communicate FAA's internal procedures for developing the ACIP



Objective #1: Defining the ACIP

✈ What is the ACIP?

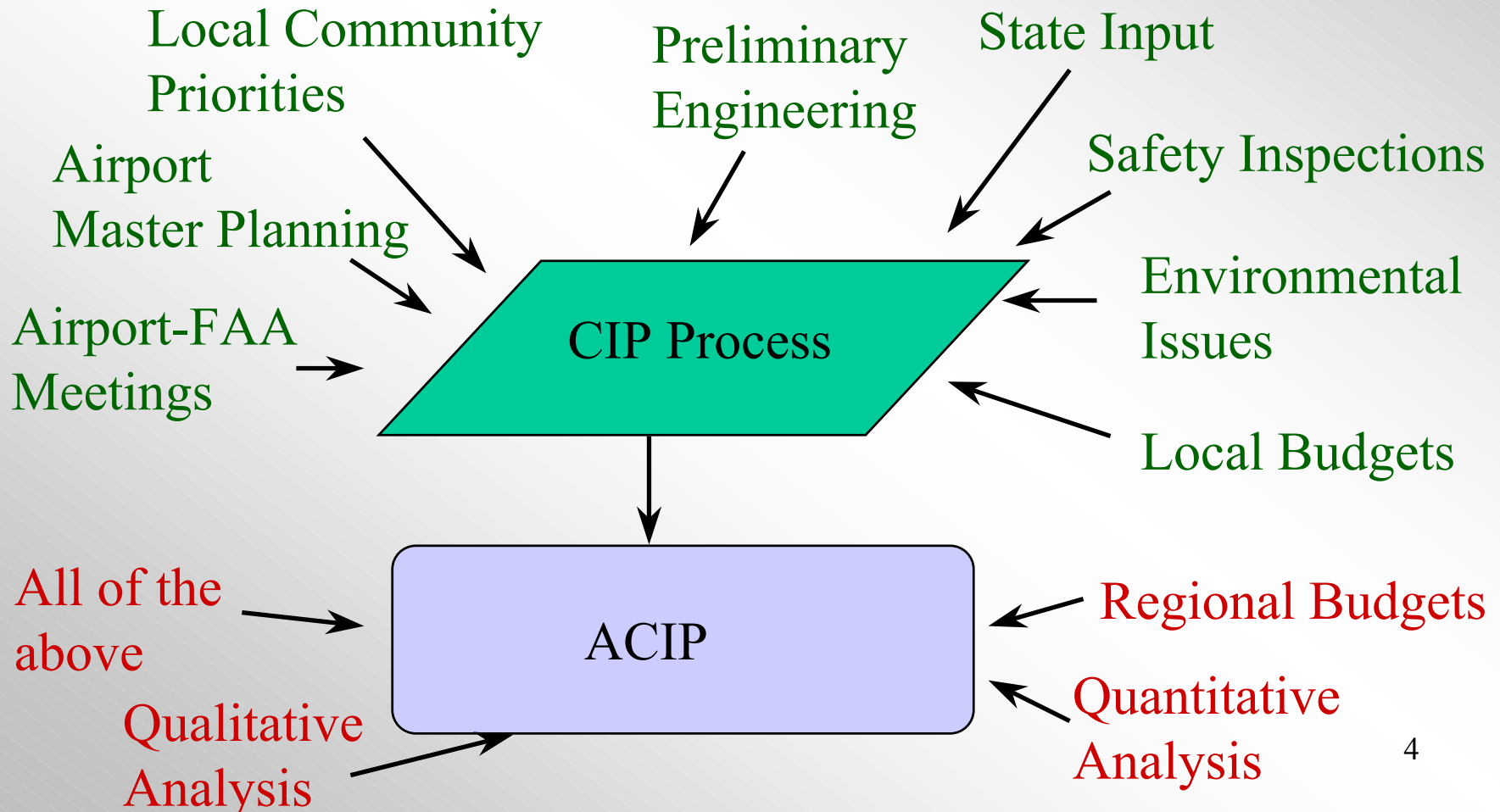
- The FAA's needs-based 3 year plan of funding for airport planning and development projects considered likely to be funded by the AIP

✈ What is the difference between ACIP and CIP?

- The CIP is the individual airport's needs-based 5 year capital plan resulting from master planning and/or airport layout plan updates



Objective #1: Defining the ACIP





Objective #1: Defining the ACIP

➔ **Why is the ACIP important to you?**

- **The ACIP serves as the FAA's primary planning tool for identifying, prioritizing, and assigning funds to capital development for the nation's airports**
- **The ACIP also serves as the basis for the distribution of grant funds under the AIP**



Objective #1: Defining the ACIP

➔ **How are CIP projects prioritized for ACIP development?**

- **Anticipated Regional AIP Budgets**
- **Quantitative analysis**
 - ❖ **Numerical priority rating**
- **Qualitative analysis**
 - ❖ **State and local priorities, impact on safety, airport growth, environmental issues, etc.**



Objective #1: Defining the ACIP

✈ How are CIP projects prioritized for ACIP development? (cont'd)

- *Regional AIP Budgets* are determined based on activity levels and prior funding history
- *Ratings function only* to categorize projects by goals & objectives.
- *Additional analysis* of other factors (e.g. financial considerations, sponsor performance, planning factors, legal & regulatory requirements, and state & local factors) will determine project's merit.

Note: All of this analysis is done at ADO/Region level



Objective #1: Defining the ACIP

✈ Regional AIP Budgets

- Planning levels for apportionment funding are determined from previous year levels
- Planning ceilings for discretionary funding are determined from regional activity levels
 - ❖ Enplanements
 - ❖ Based aircraft

Note: CIP projects that use apportionment funding are generally included in the ACIP pending availability of funds, eligibility requirements, and there is a reasonable expectation of construction bids



Objective #1: Defining the ACIP

→ Regional AIP Budgets (cont'd)

- Discretionary planning ceilings serve to limit regional requests to a manageable level
- ASW ceiling is typically around \$180 million
 - ❖ Range \$90 - \$270 million
- Ceilings help to set expectations



Objective #1: Defining the ACIP

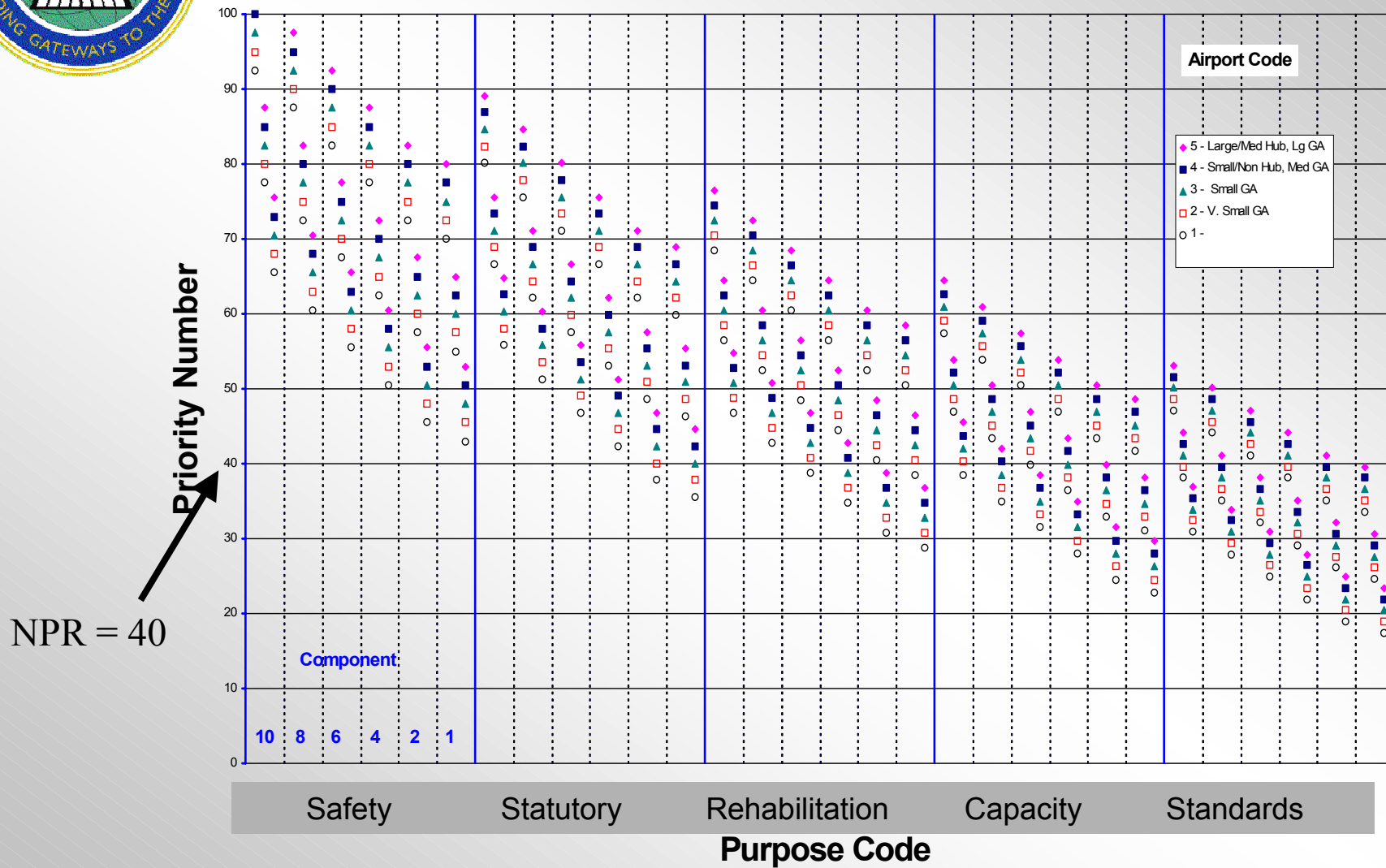
✈ Quantitative Analysis (NPR)

- Priority rating threshold is established
- Those projects within the threshold plus those that can be justified are candidates for discretionary funding
- The NPR takes into account the project type and airport type only

Note: This analysis is performed primarily for discretionary funding determinations



National Priority System





Objective #1: Defining the ACIP

→ Qualitative Analysis

- A numerical rating alone cannot account for most qualitative factors that may affect the importance of an individual project.
- This analysis is the determining factor for discretionary funding decisions.



Objective #1: Defining the ACIP

→ Qualitative Analysis

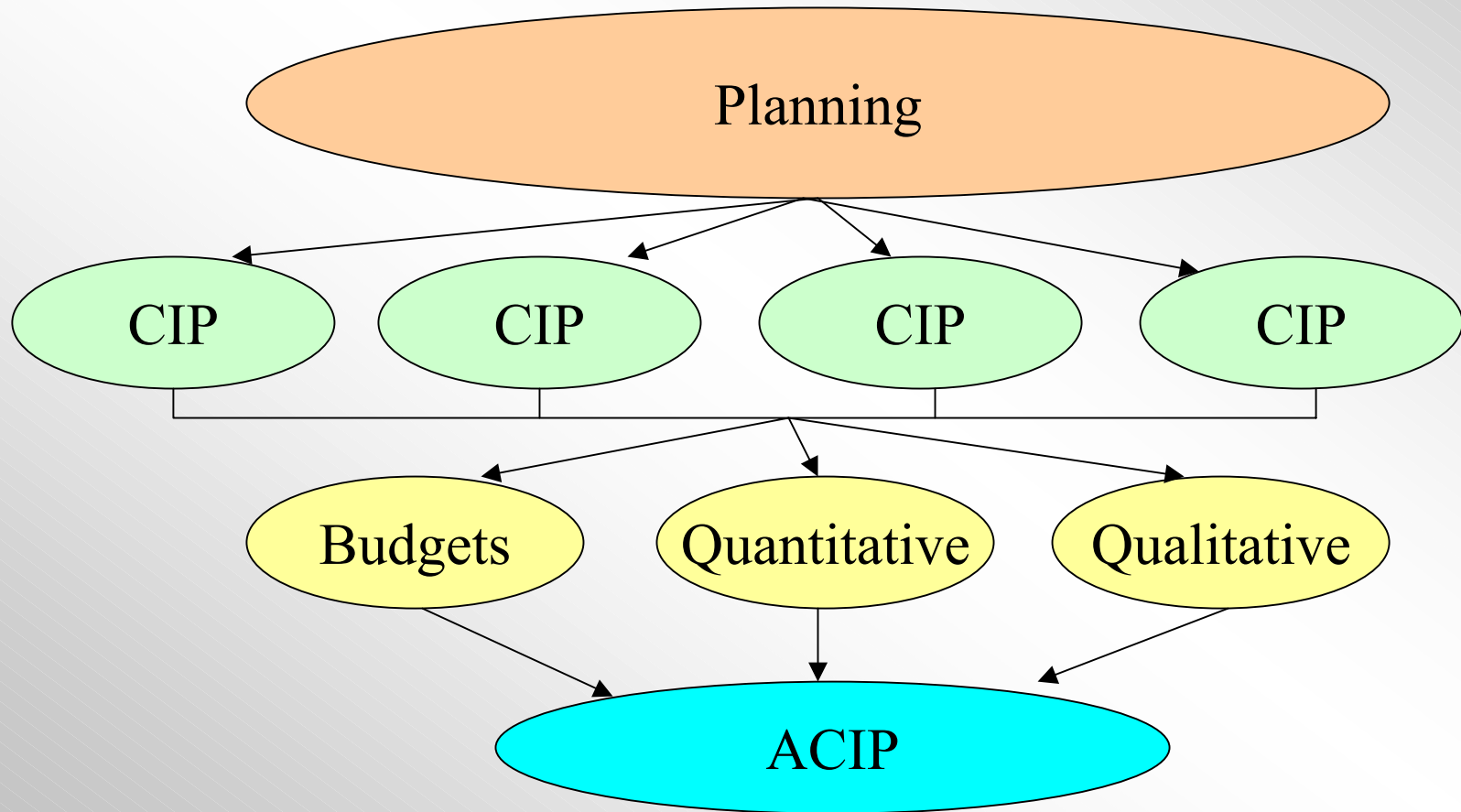
➤ Factors considered:

- ❖ Financial Considerations
- ❖ Sponsor Performance
- ❖ Planning Factors
- ❖ Legal & Regulatory Requirements
- ❖ State & Local Factors

Note: Refer to handout for examples within each category



Objective #1: Defining the ACIP



Objective #1: Defining the ACIP



Questions?



Objective #2: FAA's Timetable

- ✈ **When does the FAA begin developing the ACIP?**
 - **March of the preceding fiscal year (annual)**
- ✈ **When does the FAA finalize development of the ACIP?**
 - **December of the current fiscal year or within 60 days following appropriation, whichever is later**
 - ❖ **The first year of the 3-year ACIP is the basis for AIP implementation**
 - ❖ **Years 2 and 3 are used as a basis for setting expectations for future AIP implementation**

Objective #2: FAA's Timetable



Questions?



Objective #3: FAA's steps for ACIP development

✈ **What is FAA's internal step-by-step process for developing the ACIP?**

➤ **The FAA follows a multi-step process spanning 10+ months. In general, the steps are described as follows:**

- ❖ **Step #1** (March 1): ACIP guidance is provided to all regional offices
- ❖ **Step #2 - #5** (March 1 - October 15): Coordination between ADO/Regional/HQ offices in developing 3-year ACIP
- ❖ **Step #6** (October 15 or 15 days after appropriation): HQ office prepares and submits regional budgets to regional offices



Objective #3: FAA's steps for ACIP development

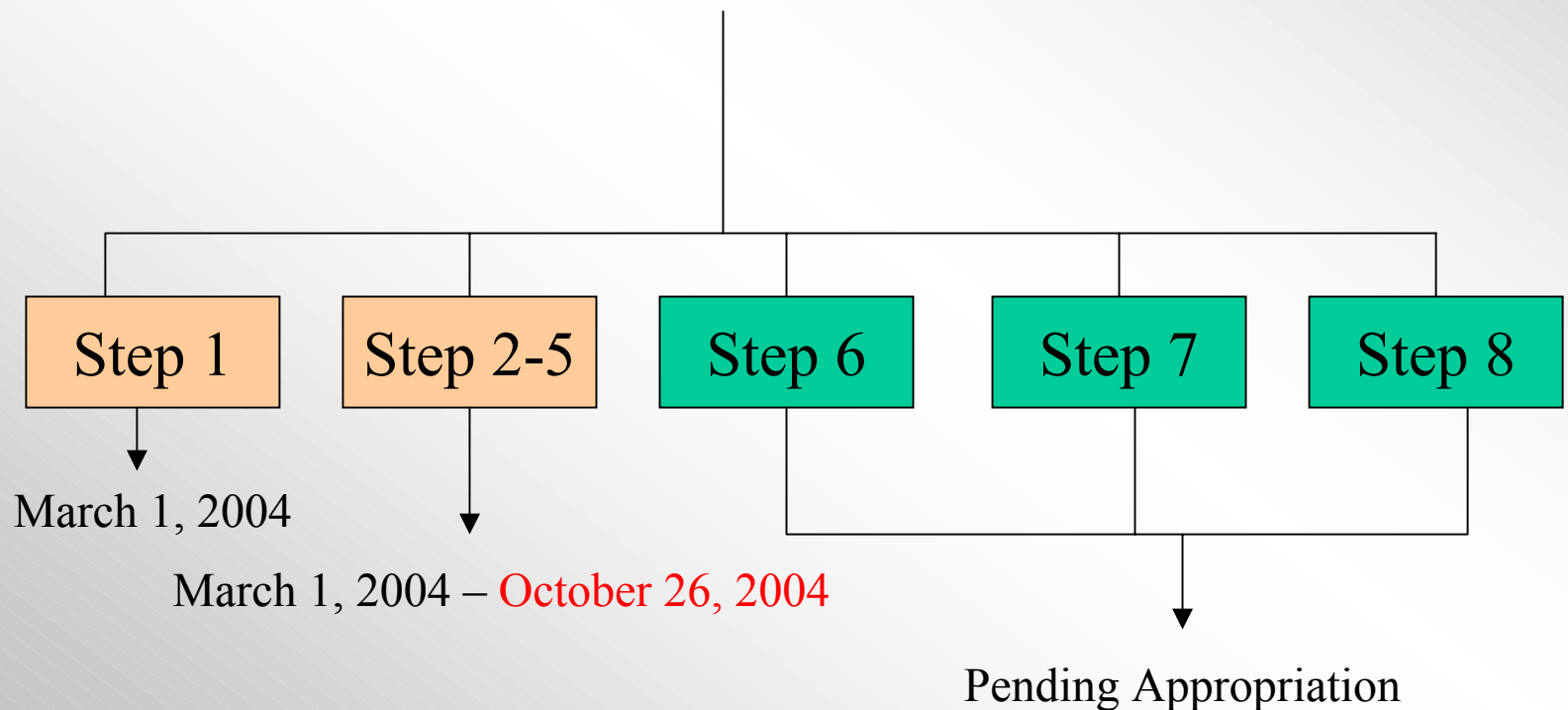
- ❖ **Step #7** (November 1 or 30 days after appropriation): Regional offices (ADO's) develop recommended funding plans and submit to HQ office for approval
- ❖ **Step #8** (December 1 or 30 days after appropriation): HQ office approves regional submission

Note: Any remaining unfunded or partially funded projects will be considered for “carryover” funding



Objective #3: FAA's steps for ACIP development

FY 2005-2007 ACIP



The End



Thank You!!